

GREEN LIVING EDUCATION FOUNDATION LIMITED
(LIMITED BY GUARANTEE)

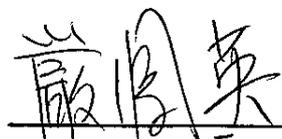
REPORTS

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2021

*I hereby certify this to
be a true copy of the original.*



Name: YIM FUNG YING

Title: Chairperson

Date: 27 JAN 2022



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(EXPRESSED IN HONG KONG DOLLARS)

GREEN LIVING EDUCATION FOUNDATION LIMITED

DIRECTORS' REPORT

The directors submit their annual report together with the audited financial statements for the year ended 31st March, 2021.

PRINCIPAL ACTIVITIES

The principal activities of the Foundation are continued to be the promotion and dissemination of knowledge through organizing activities, research, media work, and establishing communities in a way to conduct people's lives that are environmentally friendly, and spiritually healthy.

THE STATE OF THE FOUNDATION'S AFFAIRS AND APPROPRIATIONS

The state of the Foundation's affairs as at 31st March, 2021 are set out in the financial statements on pages 5 to 13.

DIRECTORS

The directors of the Foundation during the year and up to the date of this report were:-

Mr. NG Mau Wing	
Ms. LAU Lai Ping, Daphine	
Ms. YIM Fung Ying	
Mr. CHENG Ho Kwong	(Resigned on 19/9/2020)
Ms. WONG Pui Sze, Grace	
Mr. LAU Hin Ting	
Ms. SZETO Lai Wah, Bonnie	
Ms. CHENG Shuke Ching	(Appointed on 18/5/2020)
Mr. AU Chun Chung	(Appointed on 19/9/2020)
Mr. CHOW Chi Fai	(Appointed on 19/9/2020)

In accordance with Article 36 of the Foundation's Articles of Association, all existing directors shall retire and being eligible, shall offer themselves for re-election at the forthcoming annual general meeting.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Foundation were entered into or existed during the year.

PERMITTED INDEMNITY PROVISIONS

A permitted indemnity provision for the benefit of the directors of the Foundation is currently in force and was in force throughout this year

AUDITOR

The financial statements have been audited by Messrs. Chan & Tang C.P.A. Limited who retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Messrs. Chan & Tang C.P.A. Limited as the Foundation's auditors is to be proposed at the forthcoming annual general meeting.

On behalf of the Board


Chairman (YIM Fung Ying)

HONG KONG, 5th July, 2021

CHAN & TANG C.P.A. LIMITED
CERTIFIED PUBLIC ACCOUNTANTS (PRACTISING)
陳榮泰，鄧天應會計師事務所有限公司

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GREEN LIVING EDUCATION FOUNDATION LIMITED
(incorporated in Hong Kong with limited by guarantee)**

Opinion

We have audited the financial statements of Green Living Education Foundation Limited ("the Foundation") set out on pages 5 to 13, which comprise the statement of financial position as at 31st March, 2021, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Foundation are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") and with reference to Practice Note 900 (Revised), Audit of Financial Statements Prepared in accordance with the Small and Medium-sized Entity Financial Reporting Standard issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors and those charged with governance for the financial statements

The directors are responsible for the preparation of the financial statements in accordance with the SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

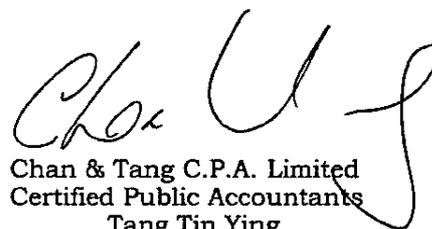
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chan & Tang C.P.A. Limited
Certified Public Accountants
Tang Tin Ying
Practising Certificate No. P01659

HONG KONG, 5th July, 2021

GREEN LIVING EDUCATION FOUNDATION LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2021

	<u>NOTE</u>	<u>2021</u> <u>HK\$</u>	<u>2020</u> <u>HK\$</u>
REVENUE			
Net surplus from Club O shop	4	745,795	667,631
Net (deficit)/surplus from activities	5	(9,741)	353,839
Membership fee		35,960	56,020
Donation	6	88,785	208,192
		<hr/>	<hr/>
		860,799	1,285,682
Other income	7	169,963	4,628
Administrative expenses		(1,448,962)	(1,631,076)
		<hr/>	<hr/>
DEFICIT FOR THE YEAR	8	(418,200) =====	(340,766) =====

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

GREEN LIVING EDUCATION FOUNDATION LIMITED

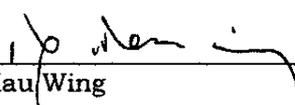
STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH, 2021

	<u>NOTE</u>	<u>2021</u> <u>HK\$</u>	<u>2020</u> <u>HK\$</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	3,783,983	4,057,266
		<hr/>	<hr/>
CURRENT ASSETS			
Inventories	11	111,585	139,528
Deposits and prepayments		33,158	50,301
Cash and bank balances		1,912,721	2,018,722
		<hr/>	<hr/>
		2,057,464	2,208,551
		<hr/>	<hr/>
LESS : CURRENT LIABILITIES			
Accrued expenses and other payables		29,314	35,484
		<hr/>	<hr/>
		29,314	35,484
		<hr/>	<hr/>
NET CURRENT ASSETS		2,028,150	2,173,067
		<hr/>	<hr/>
NET ASSETS		5,812,133	6,230,333
		=====	=====
RESERVE			
GENERAL FUND	13	5,812,133	6,230,333
		=====	=====

The financial statements on pages 5 to 13 are approved and authorized for issue by the Board of Directors on 5th July, 2021 and are signed on its behalf by:



YIM Fung Ying



NG Mau Wing

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

GREEN LIVING EDUCATION FOUNDATION LIMITED

ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March, 2021

1. General information

Green Living Education Foundation Limited (the "Foundation") is incorporated in Hong Kong with limited liability under the predecessor Hong Kong Companies Ordinance on 3rd November, 2004.

The address of its registered office is Flat F, 7/F., Cheong Ming Building, 80 Argyle Street, Mongkok, Kowloon.

The principal activities of the Foundation are to promote and disseminate knowledge through organizing activities, research, media work and establishing communities in a way to conduct people's life that is good for the environment and physically and spiritually healthy.

Every member of the Foundation undertakes to contribute to the assets of the Foundation, in the event of the same being wound up. Such amount as may be required will not be exceeding HK\$100.

In accordance with Article 3 of the Foundation's Articles of Association, the number of members of the Foundation is declared to consist of an unlimited number of members. As at 31st March, 2021, there were 36 members (2020: 36 members)

2. Summary of significant accounting policies

The Foundation qualified for the reporting exemption as a small guarantee company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622). The Foundation is therefore entitled to prepare and present its financial statements for the year ended 31st March, 2021 in accordance with the Small and Medium-sized Entity Financial Reporting Standard (the "SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Foundation is a going concern.

The measurement base adopted is the historical cost convention.

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements:

(a) **Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

The depreciable amount of an item of property, plant and equipment is allocated on a systematic basis over its estimated useful lives using the straight-line method. The principal annual rates used for depreciation are as follows:-

Land held under long lease	Over the shorter of the unexpired term lease and estimated useful lives
Building	Over its estimated useful lives
Office equipment	20%
Leasehold improvements	20%

(b) Impairment of assets

An assessment is made at the end of each reporting period to determine whether there is any indication of impairment or reversal of previous impairment, including terms of property, plant and equipment, intangible assets and long-term investments. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognised in the income statement. A previously recognised impairment loss is reversed only if there has been a change in estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation), had no impairment losses been recognised for the asset in prior year.

(c) Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Foundation are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the income statement.

Leases where substantially all the risks and rewards of ownership of assets are not transferred to the lessee are accounted for as operating leases. Annual rents applicable to such operating leases are charged to the comprehensive income statement on a straight-line basis over the lease term.

(d) Inventories

Inventories are stated at the lower of cost (using a first-in-first-out basis) and net realizable value. In arriving at net realizable value an allowance has been made for deterioration and obsolescence.

(e) Account receivable

Account receivable is stated at estimated realizable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

(f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts and volume rebates allowed by the Foundation. Provided that it is probable that the economic benefits associated with the revenue transaction will flow to the Foundation and the revenue and the costs, if any, in respect of the transaction can be measured reliably, revenue is recognized as follows:

- i) Sale income is recognized when goods are delivered and the risks and rewards of ownership have passed to the customer;
- ii) Services income is recognized when the relevant services are rendered;
- iii) Interest income is recognized on a time proportion basis taking into account the principal outstanding and the interest applicable;
- iv) Membership fee income is accounted for on a cash basis;
- v) Donations for designated purposes are recognized when the purpose is served. Other donations are accounted for on a cash basis; and
- vi) Copyright income is recognized on an accrual basis in accordance with the substance of the relevant agreement.

(g) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to MPF as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is defined and the effect would be material, these amounts are stated at their present values.

3. Directors' remuneration

During the year ended 31st March, 2021, no remuneration of any kind was paid in respect of directors' emoluments, directors' or past directors' pensions or for any compensation to directors or past directors in respect of loss of office. (2020: Nil)

4. **Net surplus from Club O shop**

	<u>2021</u> <u>HK\$</u>	<u>2020</u> <u>HK\$</u>
Sales	1,729,917	1,820,183
Less : Cost of sales		
Opening inventories	139,528	149,800
Purchase	940,417	1,115,520
Closing inventories	(111,585)	(139,528)
	<u>968,360</u>	<u>1,125,792</u>
Gross profit	761,557	694,391
Other cost	(15,762)	(26,760)
	<u>745,795</u>	<u>667,631</u>
Net surplus	<u>745,795</u>	<u>667,631</u>

5. **Net surplus from activities**

	<u>2021</u> <u>HK\$</u>	<u>2020</u> <u>HK\$</u>
Activities income		
Course income	31,101	447,332
Workshop and activities income	12,331	218,658
	<u>43,432</u>	<u>665,990</u>
Less : Cost of activities		
Course expenses	25,230	200,367
Workshop and activities expenses	27,943	111,784
	<u>53,173</u>	<u>312,151</u>
Net (deficit)/surplus	<u>(9,741)</u>	<u>353,839</u>

6. **Donation**

	<u>2021</u> <u>HK\$</u>	<u>2020</u> <u>HK\$</u>
General donation income	86,421	205,474
Donation box income	2,364	2,718
	-----	-----
	88,785	208,192
	=====	=====

7. **Other income**

	<u>2021</u> <u>HK\$</u>	<u>2020</u> <u>HK\$</u>
Copyright income	2,721	3,718
Bank interest	34	910
Government subsidy	167,208	-
	-----	-----
	169,963	4,628
	=====	=====

8. **Deficit for the year**

	<u>2021</u> <u>HK\$</u>	<u>2020</u> <u>HK\$</u>
Deficit for the year is arrived at after (crediting)/charging the following:-		
Bank interest income	(34)	(910)
Depreciation	275,087	277,747
Other staff costs		
- Salaries and allowance	721,422	798,669
- MPF contribution	32,243	38,347
	-----	-----
	753,665	837,016
	=====	=====

9. **Income tax**

The Foundation has been exempted under Section 88 of the Hong Kong Inland Revenue Ordinance from any tax by reason of its being a charitable institution of a public character.

10. Property, plant and equipment

	<u>Land and building</u> HK\$	<u>Office equipment</u> HK\$	<u>Leasehold improvements</u> HK\$	<u>Total</u> HK\$
Cost				
At 1/4/2020	4,496,550	292,188	1,002,264	5,791,002
Additions	-	1,804	-	1,804
Disposal	-	-	(50,000)	(50,000)
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At 31/3/2021	4,496,550	293,992	952,264	5,742,806
	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated depreciation				
At 1/4/2020	989,241	124,607	619,888	1,733,736
Charge for the year	89,931	55,778	129,378	275,087
Disposal	-	-	(50,000)	(50,000)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31/3/2021	1,079,172	180,385	699,266	1,958,823
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31/3/2021	3,417,378 =====	113,607 =====	252,998 =====	3,783,983 =====
At 31/3/2020	3,507,309 =====	167,581 =====	382,376 =====	4,057,266 =====

The land and building are situated on land in Hong Kong held under long leases.

11. Inventories

Inventories comprise entirely of stock in trade.

12. Share capital

The Company is limited by guarantee and not having a share capital.

Every member of the Foundation undertakes to contribute to the assets of the Foundation, in the event of the same being wound up. Such amount as may be required will not be exceeding HK\$100.

In accordance with Article 3 of the Foundation's Articles of Association, the number of members of the Foundation is declared to consist of an unlimited number of members. As at 31st March, 2021, there were 36 members (2020: 36 members)

13. Changes in general fund

	<u>HK\$</u>
At 1st April, 2020	6,230,333
Deficit for the year	(418,200)
	<hr/>
At 31st March, 2021	5,812,133
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14. Commitments under operating leases

At 31st March, 2021, the Foundation had the following total future minimum lease payments payable under non-cancellable operating leases:

	<u>2021</u> <u>HK\$</u>	<u>2020</u> <u>HK\$</u>
Not later than one year	38,800	113,600
Later than one year	-	150,800
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	38,800	264,400
	<hr/> <hr/>	<hr/> <hr/>

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GREEN LIVING EDUCATION FOUNDATION LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH, 2021

(For Management Purposes Only)

	<u>2021</u> <u>HK\$</u>	<u>2020</u> <u>HK\$</u>
INCOME		
Net surplus from Club O shop	745,795	667,631
Net (deficit)/surplus from operating activities	(9,741)	353,839
Membership fee	35,960	56,020
Donation	88,785	208,192
Copyright income	2,721	3,718
Bank interest received	34	910
Government subsidy	167,208	-
	<hr/>	<hr/>
	1,030,762	1,290,310
EXPENSES		
Accountancy fee	90,000	82,500
Advertising fee	-	1,477
Audit fee	12,000	12,000
Bank charges	2,768	3,254
Building management fee	59,121	61,476
Depreciation	275,087	277,747
Electricity, water and gas	12,524	37,176
Insurance	5,409	5,837
Kitchen equipment	1,869	7,019
Legal and professional fee	-	22,770
MPF contribution	32,243	38,347
Octopus charges	6,113	5,874
Payme charge	8	-
Postage and courier	194	243
Printing and stationery	5,559	26,111
Rent and rates	172,728	177,210
Repair and maintenance	36,171	35,076
Staff salaries and allowances	721,422	798,669
Sundry expenses	8,117	24,691
Telephone and fax	7,629	13,599
	<hr/>	<hr/>
	1,448,962	1,631,076
DEFICIT FOR THE YEAR	(418,200) =====	(340,766) =====